Financial Statements

December 31, 2007 and 2006

Under provisions of state law, this report is a public document. Acopy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 4/2/08

FINANCIAL STATEMENTS, OTHER FINANCIAL INFORMATION, AND SUPPLEMENTAL INFORMATION

DECEMBER 31, 2007 AND 2006

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The Executive Committee of the Board of Directors Tiger Athletic Foundation

We have audited the accompanying statements of financial position of Tiger Athletic Foundation (a nonprofit organization) as of December 31, 2007 and 2006, and the related statements of activities, functional expenses, and cash flows for the years then ended. These financial statements are the responsibility of Tiger Athletic Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Tiger Athletic Foundation as of December 31, 2007 and 2006, and the changes in its net assets and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated March 20, 2008, on our consideration of Tiger Athletic Foundation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting and compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audits.

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A Professional Accounting Corporation

Metairie, Louisiana March 20, 2008

STATEMENTS OF FINANCIAL POSITION DECEMBER 31, 2007 and 2006

ASSETS

	2007	2006
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,553,228	\$ 1,000,662
Restricted cash	39,188,694	36,800,430
Accrued interest receivable	-	30,243
Investments	-	-
Accounts receivable, net	1,527,466	1,199,182
Unconditional promises to give, net	3,233,091	2,618,281
Inventories	· •	
Deferred charges and prepaid expenses	577,208	571,030
Notes receivable	· -	-
Other current assets	7,216,250	11,223,287
Total current assets	53,295,937	53,443,115
NONCURRENT ASSETS		
Restricted assets:		
Cash and cash equivalents	98,250	1,039,357
Investments	3,631,307	-,,
Accounts receivable, net	•	
Notes receivable	-	_
Other	•	
Investments	-	-
Unconditional promises to give, net	5,396,129	4,650,803
Notes receivable	-	1,020,000
Property and equipment, net	126,639,329	153,540,160
Assets under capital leases, net	-	
Other noncurrent assets	12,454,271	15,645,670
Total noncurrent assets	148,219,286	174,875,990
		, ,
Total assets	\$ 201,515,223	\$ 228,319,105

LIABILITIES AND NET ASSETS

2007	2006
	
\$ 308,275	\$ 1,033,762
1,364,952	3,618,924
7,397,560	11,551,358
1,529,598	1,175,680
-	-
-	-
-	-
868,168	1,329,000
-	-
2,390,000	2,745,000
2,481,849	512,050
16,340,402	21,965,774
-	-
-	-
-	-
868,168	407,336
-	-
128,885,000	129,830,000
9,156,323	15,496,882
138,909,491	145,734,218
155,249,893	167,699,992
11,939,829	33,260,620
14,746,078	14,746,078
14,410,967	11,191,066
5,168,456	1,421,349
46,265,330	60,619,113
\$ 201,515,223	\$ 228,319,105
	\$ 308,275 1,364,952 7,397,560 1,529,598 - - 868,168 - 2,390,000 2,481,849 16,340,402 - 868,168 - 128,885,000 9,156,323 138,909,491 155,249,893 11,939,829 14,746,078 14,410,967 5,168,456 46,265,330

STATEMENTS OF ACTIVITIES YEARS ENDED DECEMBER 31, 2007 and 2006

	2007	2006
Change in unrestricted net assets		
Unrestricted Revenues:		
Contributions	\$ 16,712,660	\$ 16,620,940
Investment earnings	1,399,503	1,353,044
Service fees	•	•
Other revenues	6,581,580	6,457,852
Total unrestricted revenues	24,693;743	24,431,836
Net assets released from restrictions:		
Satisfaction of program expenses	1,580,055	10,685,083
Total net assets released from restrictions	2,659,154	10,685,083
Total unrestricted revenues and other support	27,352,897	35,116,919
Program expenses:		
Amounts paid to benefit Louisiana State University for:		
Projects specified by donors	•	-
Projects specified by the Board of Directors	34,145,272	7,869,235
Other	10,295,516	10,119,317
Total program expenses	44,440,788	17,988,552
Supporting services:		
Salaries and benefits	1,408,751	1,265,717
Occupancy	166,118	151,402
Office operations	118,688	137,743
Travel	-	•
Professional services	73,816	65,513
Dues and subscriptions	27,887	22,890
Meetings and development	16,758	13,133
Depreciation	•	•
Provision for uncollectible accounts	•	•
Loss on sale of assets	-	-
Other	<u>696,751</u>	584,739
Total supporting services	2,508,769	2,241,137
Fund-raising expenses	645,032	1,316,798
Total expenses	47,594,589	21,546,487
Change in unrestricted net assets	(20,241,692)	13,570,432

STATEMENTS OF ACTIVITIES CONTINUED YEARS ENDED DECEMBER 31, 2007 and 2006

	2007	
Change in temporarily restricted net assets: Temporarily Restricted Revenues: Contributions, net of provision for uncollectible accounts Investment earnings	\$ 5,879,055 	\$ 5,000,859
Total temporarily restricted revenues	5,879,055	5,000,859
Net assets released from restrictions:		
Satisfaction of program expenses	(2,659,154)	(10,685,083)
Total temporarily restricted revenues and other support Change in temporarily restricted net assets	3,219,901 3,219,901	(5,684,224) (5,684,224)
Change in permanently restricted net assets:		
Permanently Restricted Revenues: Contributions	3,713,593	529,372
Investment earnings	33,514	31,715
Total permanently restricted revenue	3,747,107	561,087
Transfers to LSU Foundation	-	•
Change in permanently restricted net assets	3,747,107	561,087
Change in net assets	(13,274,684)	8,447,295
Net assets at beginning of year	60,619,113	52,564,599
Change in fair value of Interest Rate Swap Agreement	(1,079,099)	(392,781)
Net assets at end of year	\$ 46,265,330	\$ 60,619,113

The accompanying notes are an integral part of these statements.

STATEMENT OF FUNCTIONAL EXPENSES YEAR ENDED DECEMBER 31, 2007

	Program Services							
		ontributions to LSU Athletic	1	tributions to LSU onathletic		Tiger Den Suites		Stadium Club
Salaries and wages	\$	-	\$	_	\$	-	\$	-
Payroll taxes		-		-		-		_
Employee benefits		-		-		-		-
Contributions to LSU		32,449,583		320,836		-		-
Coaches' supplement		512,000		-		-		-
Scoreboard expenses		92,929		-		_		-
Marketing and publicity		-		_		16,894		_
Dues and subscriptions		1,528		-		-		-
Professional fees		178,487		-		960		-
Academic awards		-		120,000				-
LSU Campus Transportation and Development Fund		-		164,187		-		-
LSU System Transportation Fund		-		18,878		-		-
Tickets purchased		-		-		-		-
Letter of credit and remarketing fees		-		-		448,603		110,792
Interest expense		-		_		1,869,087		3,965,319
Catering and other expenses		-		-		611,854		701,538
Management fee		-		_		110,000		70,000
Occupancy		-		. -		·		25,000
Parking		-		-		45,600		-
Repairs and maintenance		_		-		32,053		46,092
Travel and entertainment		_		-		•		-
Membership		-		_		-		-
Meeting expense		_		_		-		-
Basketball		-		-		-		-
Baseball		-		-		-		-
Supplies and office equipment		-		_		-		-
Printing		-		_		_		_
Computer		-		-		-		_
Bank charges		-		-		-		-
Special events and other		-		_		•		-
Insurance		-		-		153,958		124,515
Bad debts and other allowances		_		-		_		-
Promotional expense		-		_		-		-
Depreciation		286,844				461,283		1,501,968
Total expenses	\$	33,521,371	\$	623,901	\$	3,750,292	\$	6,545,224

	s	upporting Services	· · · · · · · · · · · · · · · · · · ·	Fund- Raising	 Total
Salaries and wages	\$	1,033,937	\$	548,782	\$ 1,582,719
Payroll taxes		106,508		-	106,508
Employee benefits		268,306		_	268,306
Contributions to LSU		-		_	32,770,419
Coaches' supplement		-		_	512,000
Scoreboard expenses		-		-	92,929
Marketing and publicity		78,146		-	95,040
Dues and subscriptions		27,887		-	29,415
Professional fees		73,816		-	253,263
Academic awards		-		_	120,000
LSU Campus Transportation and Development Fund		-		-	164,187
LSU System Transportation Fund		-		-	18,878
Tickets purchased		54,647		-	54,647
Letter of credit and remarketing fees		-		-	559,395
Interest expense		-		-	5,834,406
Catering and other expenses		_		-	1,313,392
Management fee		-		-	180,000
Occupancy		166,118		•	191,118
Parking		37,263		_	82,863
Repairs and maintenance		10,910		_	89,055
Travel and entertainment		-		154,442	154,442
Membership		176,314		85,192	261,506
Meeting expense		16,758		´-	16,758
Basketball		, <u> </u>		18,063	18,063
Baseball		_		1,021	1,021
Supplies and office equipment		42,831		~	42,831
Printing		11,020		-	11,020
Computer		64,837		-	64,837
Bank charges		216,871		_	216,871
Special events and other		14,381		291,229	305,610
Insurance		108,219			386,692
Bad debts and other allowances				(453,697)	(453,697)
Promotional expense		-		-	(
Depreciation		-		_	2,250,095
Total expenses	\$	2,508,769	\$	645,032	\$ 47,594,589

STATEMENT OF FUCNTIONAL EXPENSES YEAR ENDED DECEMBER 31, 2006

Program Services Contributions Contributions to LSU to LSU Tiger Den Stadium Athletic Nonathletic Suites Club S \$ \$ Salaries and wages \$ Payroll taxes Employee benefits 6.581,429 13,720 Contributions to LSU Coaches' supplement 505,000 95,055 Scoreboard expenses 15,715 Marketing and publicity Dues and subscriptions 1,656 Professional fees 181,659 93,000 Academic awards 97,961 LSU Campus Transportation and Development Fund LSU System Transportation Fund 16,891 Tickets purchased Letter of credit and remarketing fees 463,778 112,928 1,880,562 Interest expense 3,891,443 622,630 718,861 Catering and other expenses 110,000 70,000 Management fee Occupancy 25,000 Parking 45,600 Repairs and maintenance 37,219 7,153 Travel and entertainment Membership Meeting expense Basketball Baseball Supplies and office equipment Printing Computer Bank charges Special events and other Insurance 165,552 43,690 Bad debts and other allowances Promotional expense Depreciation 282,864 450,355 1,458,831 Total expenses 7,647,663 221,572 6,327,906 3,791,411

The accompanying notes are an integral part of these statements.

	Supporting Services			Fund- Raising		Totai
			•			
Salaries and wages	\$	940,071	\$	395 ,970	\$	1,336,041
Payroll taxes		91,680		-		91,680
Employee benefits		233,966		-		233,966
Contributions to LSU		-		-		6,595,149
Coaches' supplement		-		-		505,000
Scoreboard expenses		-		-		95,055
Marketing and publicity		62,648		-		78,363
Dues and subscriptions		22,890		-		24,546
Professional fees		65,513		_		247,172
Academic awards		-		-		93,000
LSU Campus Transportation and Development Fund		-		-		97,961
LSU System Transportation Fund		-		-		16,891
Tickets purchased		54,458		_		54,458
Letter of credit and remarketing fees		-		-		576,706
Interest expense		-		_		5,772,005
Catering and other expenses		-		-		1,341,491
Management fee		-		_		180,000
Occupancy		151,402		-		176,402
Parking		42,362				87,962
Repairs and maintenance		20,030		-		64,402
Travel and entertainment		-		118,261		118,261
Membership		121,245		102,489		223,734
Meeting expense		13,133		-		13,133
Basketball		-		20,993		20,993
Baseball		-		1,957		1,957
Supplies and office equipment		50,762		-		50,762
Printing		9,304		_		9,304
Computer		77,677		_		77,677
Bank charges		167,039		-		167,039
Special events and other		11,780		271,745		283,525
Insurance		105,177		-		314,419
Bad debts and other allowances		-		402,732		402,732
Promotional expense		-		2,651		2,651
Depreciation						2,192,050
Total expenses	\$	2,241,137	\$	1,316,798	\$	21,546,487

STATEMENTS OF CASH FLOWS YEAR ENDED DECEMBER 31, 2007 and 2006

	2007	2006
Operating activities		
Change in net assets	\$ (13,274,684)	\$ 8,447,295
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	2,250,095	2,192,050
Change in allowance for unconditional promises to give	(172,400)	598,190
Change in fair value of interest rate swap agreement	1,079,099	392,781
Unrealized gain on investment	(1,403)	332,701
Transfer to LSU	25,593,284	_
(Increase) Decrease in operating assets:	#2,373,60 1	•
Receivables, deferred charges, and other prepaid assets	(328,284)	(563,140)
Unconditional promises to give	(1,187,736)	428,690
Other assets	7,222,501	9,217,079
Increase (Decrease) in operating liabilities:	/,222,301	9,217,079
Accounts payable	(77E 497)	902 (11
Accounts payable - construction in progress	(725,487) (2,253,972)	893,621 424,740
Deferred revenues	(4,153,798)	•
Other current liabilities		152,412
Other noncurrent liabilities	1,969,799	96,153
	(8,498,757)	(12,039,520)
Amounts held in custody for others	353,918	135,717
Net cash (used in) provided by operating activities	7,872,175	10,376,068
Investing activities		
Net change in restricted cash and cash equivalents	(1,447,157)	1,288,556
Purchase of investments	(3,629,904)	-
Purchase of property and equipment	(942,548)	(5,751,145)
Net cash provided by (used in) investing activities	(6,019,609)	(4,462,589)
Financing activities		
Net payments on the line-of-credit agreement	•	(2,927,707)
Principal payments on borrowings	(1,300,000)	(3,574,000)
Net cash used in financing activities	(1,300,000)	(6,501,707)
Net change in cash and cash equivalents	552,566	(588,228)
Cash and cash equivalents, beginning of year	1,000,662	1,588,890
Cash and cash equivalents, end of year	\$ 1,553,228	\$ 1,000,662

The accompanying notes are an integral part of these statements.

Notes to Financial Statements

1. Summary of Significant Accounting Policies

Nature of Activities

Tiger Athletic Foundation (TAF or the Foundation) was organized on May 17, 1983, under the name The LSU Tigers Unlimited Corporation, as a nonprofit corporation under Louisiana R.S. 12:201 (7). The corporation's name was changed to Tiger Athletic Foundation on April 17, 1987.

The Foundation's primary objective is to encourage support and raise funds for the Louisiana State University and Agricultural and Mechanical College (LSU) located in Baton Rouge, Louisiana, and its intercollegiate athletic program. Funds attracted by this private, nonprofit corporation are primarily used to defray the cost of scholarships of more than 450 student athletes, to help maintain and improve LSU athletic facilities, and to retire present indebtedness. The Foundation is governed by a board of directors who are elected from the membership.

Net Assets

The Foundation reports information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted and permanently restricted. Unrestricted net assets include those net assets whose use by the Foundation is not restricted by donors, even though their use may be limited in other respects, such as by contract or board designation. Temporarily restricted net assets are those net assets whose use by the Foundation has been limited by donors (a) to later periods of time or other specific dates, or (b) to specified purposes. Permanently restricted net assets are those net assets received with donor-imposed restrictions limiting the Foundation's use of the asset.

Cash and Cash Equivalents

For the purpose of the statement of cash flows, the Foundation considers all unrestricted highly liquid investments with an original maturity of three months or less, and whose use is not limited, to be cash equivalents.

Investments

The Foundation carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the Statement of Financial Position. Unrealized gains and losses are included in the change in net assets in the accompanying Statement of Activities.

Investment Income and Gains

Investment income and gains restricted by donors are reported as increases in unrestricted net assets if the restrictions are met (either a stipulated time period ends or a purpose restriction is accomplished) in the reporting period in which the income and gains are recognized.

Notes to Financial Statements

1. Summary of Significant Accounting Policies (continued)

Unconditional Promises to Give

Contributions that are expected to be collected within one year are recorded at net realizable value. Contributions that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. Changes to the estimate of the present value of the contributions will be reported in the period the changes are made. The Foundation establishes an allowance for unfulfilled pledges based on a specific analysis of the remaining contribution balance due for contributions that were not made in accordance with the donor's pledged timeline. Decreases in temporarily and permanently restricted contributions because of changes in the amounts of assets expected to be received are recorded as a loss and are reported net of contribution revenue on the Statement of Activities.

Property and Equipment

The purchase of property and equipment is recorded at cost. Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as temporarily or permanently restricted revenue. It is TAF's policy to capitalize all fixed asset purchases greater than \$500. Property and equipment is depreciated using the straight-line method over estimated useful lives of 5 to 50 years.

Construction in progress and other additions are stated at cost and represent costs of construction. During the construction period, interest will be capitalized on all qualifying expenditures.

Impairment of Long-Lived Assets

The Foundation reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. In the event that the undiscounted cash flows resulting from the use of the asset group is less than the carrying amount, an impairment loss equal to the excess of the asset's carrying amount over its fair value is recorded. The Foundation did not record any impairment loss during the years ended December 31, 2007 and 2006.

Other Noncurrent Assets

Other assets include deferred financing costs, associated with the Revenue Bonds Series 2004, that are being amortized over the life of the bond agreement, which is 30 years. Amortization of the costs is recorded as a component of interest expense. These costs totaled \$1,193,794 and are presented net of accumulated amortization of \$149,220 and \$109,428, as of December 31, 2007 and 2006, respectively. Also included in other assets, is \$4,200,000 of financing costs associated with the construction of the new Alex Box baseball stadium. These costs will be amortized over the life of the stadium and will be offset by the revenue that the Foundation will be receiving from their rights to certain seating in the stadium's suites.

Notes to Financial Statements

1. Summary of Significant Accounting Policies (continued)

Amounts Held in Custody for Others

The amounts held in custody for others represent the coaches' escrow accounts and affiliated chapters' account, which were established as a custodial fund at the request of LSU. This fund was created in order for TAF to act as a nonaffiliated party in overseeing the revenue generated by the coaches and affiliated booster club chapters of LSU and to provide institutional control as required by NCAA rules. The Foundation has included the \$1,529,598 and \$1,175,680, in amounts held in custody for others as restricted cash, within current assets as of December 31, 2007 and 2006, respectively. This amount is offset by a current liability in the same amount.

Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted depending on the existence or nature of any donor restrictions.

Contributions are recognized when the donor makes a promise to give to the Foundation that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted contributions are recognized as changes in unrestricted net assets.

Functional Expenses

Functional expenses are allocated between program services and supporting activities, which include fundraising, and general and administrative activities. General and administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Foundation.

Donated Services

During the years ended December 31, 2007 and 2006, the value of contributed services meeting the requirements for recognition in the financial statements was not considered material and has not been recorded.

Scoreboards

The Foundation owns scoreboards and related equipment installed at various athletic venues on the LSU campus. Contract revenues associated with these scoreboards are more fully described in Note 12.

Notes to Financial Statements

1. Summary of Significant Accounting Policies (continued)

Rents - LSU and University Club

In 1999, the Foundation issued \$43,575,000 in revenue bonds for the purpose of financing or reimbursing a portion of the cost of certain improvements and renovations to the East Side Upper Deck (ESUD) of Tiger Stadium at LSU. The bond agreement stipulates that LSU shall pay \$2,000,000 to the Foundation as annual rent for the facilities.

In 2004, the Foundation issued \$90,000,000 in revenue bonds, for the purpose of financing or reimbursing a portion of the cost of certain improvements and renovations to the West Side Upper Deck (WSUD) at LSU's Tiger Stadium, construction of a football operations center and miscellaneous improvements to Tiger Stadium. The bond agreement stipulates that LSU shall pay \$2,500,000 to the Foundation as annual rent for these facilities.

The Foundation maintains a lease and license agreement with The University Club of Baton Rouge, L.L.C., as the tenant of the lease. The foundation receives monthly payments equal to 6% of the prior month's gross revenues plus an annual fee per member.

Tax Status

The Foundation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and has been designated as an organization that is not a private foundation.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

2. Concentration of Credit Risk for Cash Held in Bank

The Tiger Athletic Foundation maintains several bank accounts at various financial institutions. Accounts at these institutions are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$100,000. TAF's bond agreement requires certain funds to be maintained at these financial institutions. The amount in excess of the FDIC limit totaled approximately \$41,034,000 and \$38,472,000, at December 31, 2007 and 2006, respectively.

Notes to Financial Statements

3. Restricted Cash and Cash Equivalents

Restricted cash and cash equivalents are available for the following purposes:

	December 31, 2007	December 31, 2006
Bond restrictions		
Maintenance reserve and escrow accounts	\$ 11,597,887	\$ 9,649,300
Tiger Den Suites tower account	207,734	1,446,299
West Side Upper Deck Stadium Club deposits	37,433	1,249,886
West Side Upper Deck Capital One construction account	1,959,081	3,977,181
Academic Center Trust Funds	50,925	51,096
By Board for designated purposes	16,438,556	14,746,078
Donor restrictions	7,367,480	4,504,910
Amounts held in custody for others	1,529,598	1,175,680
Endowment funds	98,250	1,039,357
	\$ 39,286,944	\$ 37,839,787

Of the above total, \$39,188,694 is classified as current while \$98,250 is classified as noncurrent due to it being restricted as of December 31, 2007.

As of December 31, 2006, \$36,800,430 of restricted cash is classified as current while \$1,039,357 is classified as noncurrent due to it being restricted.

Notes to Financial Statements

4. Investments

Investments at December 31, 2007 consist of the following:

	Cost Fa		Cost					Unrealized Gain (Loss)		
LSU Foundation Investment Pool	<u>s</u>	3,629,904	\$	3,631,307	S	1,403				
		3,629,904	\$	3,631,307	\$	1,403				

Investments with the LSU Foundation investment pool consist primarily of equity funds, corporate bonds, collateralized mortgage obligations, and government agency securities and are stated at fair value. The investments are classifies as noncurrent due to being restricted as of December 31, 2007.

Investment return is summarized as follows:

Interest and Dividend Income	\$	1,431,614
Net Realized and Unrealized Gains		1,403
Total Investment Return	_\$_	1,433,017

Included in interest and dividend income, above, is unrestricted income derived from interest bearing cash accounts and certificates of deposits, which are classified as cash for reporting purposes.

There were no investments held by the Foundation as of December 31, 2006.

Notes to Financial Statements

5. Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following purposes:

	December 31, 2007	December 31, 2006
Donor restrictions		
Make Your Pitch	\$ 2,579,899	\$ -
Capital program	2,262,224	1,670,516
Baseball building	478,288	384,240
Academic Center	380,410	862,956
Capital One	335,770	158,246
Tiger Den	282,990	7,657
AD's Annual Fund	264,891	420,709
Football	241,045	529,598
Band Hall	135,026	-
Baseball	118,457	100,000
Softball complex	82,042	75,954
Women's basketball	56,104	63,144
Miscellaneous memorials	32,353	34,193
LSU Golf Facility	28,308	44,507
Athletic trainer's equipment	18,900	2,500
L Club	15,083	-
Sue Gunter Fund	15,023	15,023
PMAC restoration	12,139	30,867
Al Moreau	9,525	9,525
Jeff Boss Honorarium	8,035	7,385
Hall of Fame	5,317	5,050
ACSA	3,500	•
Basketball	2,500	1,624
Gymnastics	2,000	· -
Track and Field	100	•
Swimming	50	50
Duel under the oaks	-	61,349
Operation Rebound	-	14,567
Top 100 Tigers	-	5,000
Band uniforms	-	250
	7,369,979	4,504,910
Restricted contributions receivable	7,087,093	6,887,092
Restricted accounts payable	(46,105)	(200,936)
Total temporarily restricted funds	\$ 14,410,967	\$ 11,191,066

Notes to Financial Statements

6. Unconditional Promises to Give

Unconditional promises to give at December 31, 2007 and 2006 were as follows:

	2007		2006
Receivable in less than one year	\$ 3,233,091	\$	2,618,281
Receivable in one to ten years	7,593,450		7,129,779
Total contributions receivable	10,826,541		9,748,060
Less discount to net present value (discount rate was			
5.7% and 6.45% as of December 31, 2007			
and 2006, respectively)	(1,389,721)		(1,498,976)
Less allowance for unfulfilled pledges	 (807,600)	_	(980,000)
Net contributions receivable	\$ 8,629,220	\$	7,269,084

7. Property and Equipment

The Foundation's investment in property and equipment consisted of the following at December 31, 2007:

		Beginning Balance		ior Period djustment		Additions	Re	tirements		Transfers		Ending Balance
Land	S	3,090,000	5	-	S	-	S	-	S	-	S	3,090,000
Leaseholds and other improvements		1,612,507		-		-		-		7,651		1,620,158
Stadium expansion and scoreboard		129,008,980		213,087		767,212				-		129,989,279
Furniture and equipment		395,213		-		55,882		-		-		451,095
Vehicles		· -		-		25,580		-		-		25,580
		134,106,700		213,087		848,674		-		7,651		135,176,112
Less accumulated depreciation		(6,363,276)		-		(2,250,095)		-		-		(8,613,371)
Construction in process		25,796,736		(213,087)		93,874		-		(25,600,935)		76,588
Property and equipment, net	S	153,540,160	S	-	S	(1,307,547)	S		S	(25,593,284)	S	126,639,329

Notes to Financial Statements

7. Property and Equipment (continued)

The Foundation's investment in property and equipment consisted of the following at December 31, 2006:

		Beginning Balance		r Period ustment	Additions	Reti	rements	Tr	ansfers		Ending Balance
Land	S	3,090,000	S	-	\$ -	<u>s</u>	-	S	-	S	3,090,000
Leaseholds and other											
improvements		1,558,658		-	53,849		-		-		1,612,507
Stadium expansion and											
scoreboard		126,136,455		-	2,872,525		-		-		129,008,980
Furniture and equipment		341,404		-	53,809		_		-		395,213
Vehicles		_		-	-		-		•		
		131,126,517		-	2,980,183				-		134,106,700
Less accumulated depreciation		(4,171,226)		-	(2,192,050)		-		-		(6,363,276)
Construction in process		23,025,774		-	2,770,962		. - _		-		25,796,736
Property and equipment, net	5	149,981,065	\$		\$ 3,559,095	S	-	S	-	S	153,540,160

Depreciation expense totaled \$2,250,095 and \$2,192,050 for the years ended December 31, 2007 and 2006, respectively.

8. Line-of-Credit

On January 26, 2006, the Foundation established a \$6,500,000 line-of-credit with Capital One for the purpose of financing additional construction costs associated with the West Side stadium expansion above and beyond what was originally budgeted for. The line-of-credit is secured by a pledge of all existing and future cash, current and future pledges and proceeds thereof in the Capital Programs Donor Restricted Fund and the University Club Reserve Account; accordingly, the cash and pledges in these funds must equal 100% of the commitment amount on the proposed facility at all times. The line-of-credit bears interest at 30-day LIBOR plus 110 basis points and expires in March of 2008; however, the Foundation has the intent to extend the line of credit until June of 2008. As of December 31, 2007 and 2006, there was no outstanding balance associated with this line-of-credit.

Notes to Financial Statements

9. Note and Bonds Payable

A summary of the Foundation's note and bonds payable is as follows:

	D	ecember 31, 2007	D	ecember 31, 2006
Note payable, with annual principal and interest payments through				
September 1, 2009	\$	1,736,336	\$	1,736,336
Revenue Bonds Series 1999		43,575,000		43,575,000
Revenue Bonds Series 2001		700,000		2,000,000
Revenue Bonds Series 2004		87,000,000		87,000,000
	\$	133,011,336	\$	134,311,336

The note payable includes a term loan bearing interest at one-month LIBOR plus 110 basis points. At December 31, 2007 that rate was 6.35%. Principal and interest payments are due annually through September 1, 2009. The note is secured by a lien on pledged revenues. On March 15, 2007, an amendment was made to the original loan agreement which waived the principal payment due on September 1, 2007 and amended the payment schedule so that this 2007 principal payment will be paid on September 1, 2008 and 2009, in addition to the already scheduled principal payment.

Revenue Bonds Series 1999 consist of debt issued by Tiger Athletic Foundation primarily for the purpose of certain improvements and renovations to the East Side Upper Deck of Tiger Stadium at LSU. Revenue derived from the sale of certain tickets for the East Side Upper Deck are pledged for the payment of the debt service. Bond indentures contain requirements for annual debt service and flow for funds through various restricted accounts. The bonds have a floating interest rate that is established through weekly remarketing. The rate was approximately 3.43% at December 31, 2007, and the bonds are due in annual payments beginning December 31, 2010, with a final payment due December 31, 2028.

Effective April 1, 2003, the Foundation entered into an interest rate swap agreement with Morgan Stanley Capital Services, Inc. (MSCS), which expires September 1, 2028, to hedge its interest rate exposure on the Series 1999 revenue bonds. The agreement covers 100% of the outstanding principal balance over the life of the bonds and effectively fixes the interest rate to the Foundation at 4.01%. The floating rate payor is MSCS and the fixed rate payor is the Foundation. The floating rate is based on the FIFMA Index, formally referred to as the BMA Municipal Swap Index, as defined in the agreement.

The Foundation accounts for the interest rate swap as a fair value hedge as directed by Financial Accounting Standard (FAS) No. 133, Accounting for Derivative Instruments and Hedging Activities. Since the Foundation does not report earnings as a separate caption in a statement of financial performance, both the swap agreement and the hedged item, the Series 1999 Bonds, are accounted for at fair value with the change in fair value reported as a change in net assets.

Notes to Financial Statements

9. Note and Bonds Payable (continued)

The fair market value of the swap agreement and the hedged item as of December 31, 2007 and 2006, was a liability of approximately \$1,828,000 and \$749,000, respectively, which represents a change from the prior year of \$1,079,099 in 2007 and \$392,781 in 2006, and is presented as a change of net assets on the Statement of Activities.

Revenue Bonds Series 2001 was issued for the purpose of certain improvements and renovations to the Gym Armory at LSU. Unconditional promises to give are pledged for payment of the debt service. The bonds have a floating interest rate that is established through weekly remarketing. The rate was approximately 3.81% at December 31, 2007, and the bonds are due in annual payments through December 31, 2011.

In March 2004, the Foundation issued Revenue Bonds Series 2004 for a principal amount of \$90,000,000. The proceeds of the loan are being used to finance or reimburse a portion of the costs of the acquisition and construction of certain improvements and renovations to Tiger Stadium and a football operations center at LSU, including funding the interest and costs associated with the project. The bonds are secured by the pledged revenues on a parity with the Series 1999 and 2001 bonds. The bonds have a floating interest rate based on the BMA index, which was approximately 3.46% at December 31, 2007. Annual payments began on September 1, 2005, and will continue through September 1, 2034. On March 15, 2007, an amendment was made to the original loan agreement which waived the principal payment due on September 1, 2007 and extended the payment schedule an additional year, through 2034, with the intent that the 2007 principal payment will be paid on September 1, 2034.

Under the provisions of the above revenue bond agreements, the Foundation is required to maintain a minimum debt service coverage ratio. The Foundation was in compliance with its debt service coverage calculation loan covenant at December 31, 2007 and 2006.

The debt service requirements on the note and bonds payable are as follows:

			Bonds	5	Total
	No	te Payable	Payab	le	Principal
2008	\$	868,168	\$ 2,390	,000 \$	3,258,168
2009		868,168	1,775	5,000	2,643,168
2010		-	3,335	5,000	3,335,000
2011		-	3,490	,000	3,490,000
2012		-	3,660	,000	3,660,000
2013 - 2017		-	21,135	,000	21,135,000
2018 - 2022		-	26,725	5,000	26,725,000
2023 - 2027		-	33,820	,000	33,820,000
2028 - 2032		-	27,720	,000	27,720,000
2033 - 2034		-	7,225	5,000	7,225,000
Total	\$	1,736,336	\$ 131,275	,000 \$	133,011,336

Notes to Financial Statements

9. Note and Bonds Payable (continued)

The Revenue Bonds Series 1999, 2001 and Series 2004 are subject to a remarketing agreement whereby the Foundation obtained a remarketing agent which shall offer for sale and use its best efforts to find purchasers for all bonds or portions thereof for which notice of tender has been received at a price equal to the principal amount thereof plus accrued interest to the purchase date. To provide for the payment of the bonds, in the event a purchaser is not found for the full amount of the outstanding bonds or default, the Foundation has entered into letter of credit agreements with Regions and Hancock Bank. The letter of credit agreements authorize Trustees, on behalf of holders of bonds, to make draws on the letters of credit, subject to the terms and conditions thereof, to pay the outstanding principal of and up to 45 days interest on the bonds. Draws on a letter of credit must be promptly reimbursed by the Foundation. Annual fees on the Regions letters of credit are 0.90% of the outstanding principal balance. Annual fees on the Hancock letter of credit issued in connection with the Revenue Bond Series 2001 are 1.27% of the outstanding principal. There were no outstanding amounts under the letters of credit at December 31, 2007 and 2006.

10. Commitments and Contingencies

The Foundation is subject to certain legal proceedings and claims that arise in the ordinary course of business. In the opinion of management, the amount of ultimate liability with respect to these actions will not materially affect the financial position of the Foundation.

In January 2004, the Foundation executed a contract for the LSU Tiger Stadium Westside Expansion. This contract is a cost-plus contract with a guaranteed maximum price, as defined. As of the date of the auditor's report, the Foundation has received requests from the contractor to increase the guaranteed maximum price. Of the requests for contract increases, some have been approved, some have been rejected by the Foundation, while some remain open pending receipt of additional information from the contractor. On September 17, 2007, the contractor filed a demand for arbitration. Currently the parties to the arbitration are in the process of selecting an arbitration panel.

Notes to Financial Statements

11. Retirement Savings Plan

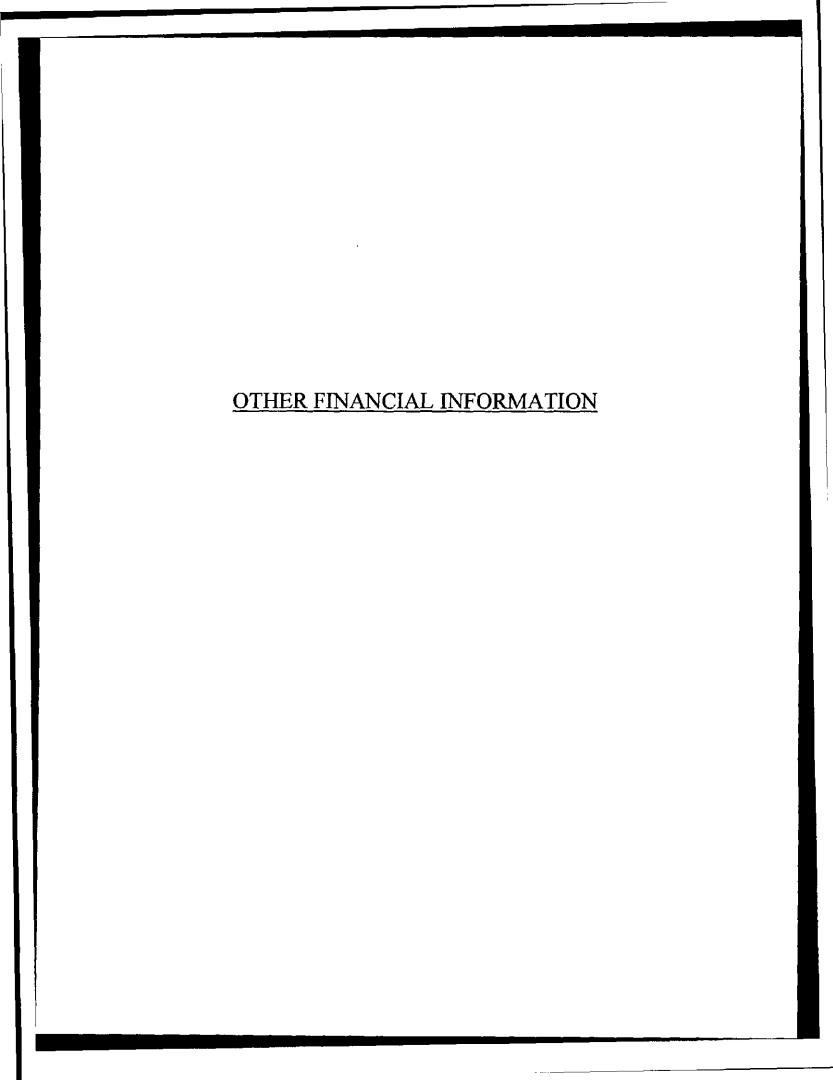
The Foundation established a 401(k) plan (the Plan) effective February 1, 2002, to replace an existing Section 403(b) tax shelter annuity plan. The Plan covers all employees who complete applications to participate in the Plan and agree to the terms of the Plan. The Foundation amended and restated the Plan effective January 1, 2006.

Under the Plan, the Foundation will make matching contributions in an amount equal to the sum of 100 percent of the participants' elective deferrals that do not exceed 6 percent of the participants' compensation as an Employer Safe Harbor Matching Contribution. In addition, the Foundation shall contribute an amount equal to the sum of 1.5 percent of the participants' annual compensation as an Employer Discretionary Contribution. Employees are vested in the Employer Safe Harbor Matching Contributions at a rate of 20 percent per year after first having reached one year of service, as defined. Employees are 100 percent vested in the Employer Discretionary Contribution after reaching one year of service, as defined.

The Foundation made matching contributions of approximately \$98,000 and \$85,000 for the years ended December 31, 2007 and 2006, respectively.

12. Scoreboard Sponsorships

In 1999, the Foundation entered into a Cooperative Endeavor Agreement with LSU that obligated the Foundation to acquire, construct and maintain new scoreboards in LSU athletic venues at a total cost of approximately \$5.2 million. In return for its fulfillment of this obligation, the Foundation was given an eight year license to solicit certain qualified corporate sponsorship contracts. In connection with its issuance of the Series 2004 Revenue Bonds, LSU extended the Foundation's rights to solicit qualified corporate sponsorship contracts for a period of approximately 35 years. Effective July 1, 2005, the Foundation, with approval of LSU, entered into a ten year lease agreement with Viacom Outdoor Advertising, Inc., d/b/a LSU Sports Properties, whereby the Foundation leased its rights to the scoreboards to Viacom in return for an annual guaranteed rental payment. The rent payment, which was \$1.4 million in year one and year two, and will increase by \$25,000 annually each year during the life of the lease agreement, is due in two equal installments payable in July and October of each year.





Independent Auditor's Report on Other Financial Information

The Executive Committee of the Board of Directors Tiger Athletic Foundation

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying forms were prepared in conformity with accounting principals generally accepted in the United States. These forms are required by the Office of Statewide Reporting and Accounting Policy for the State of Louisiana, and are presented for purposes of additional analysis and are not required parts of the basic financial statements. Such information has been subjected to the auditing procedures applied in our audits of the basic financial statements and, in our opinion, is fairly stated, in all material respects in relation to the basic financial statements taken as a whole.

Lehte, feld, frag & Heal

A Professional Accounting Corporation

Metairie, LA March 20, 2008

STATEMENTS OF NET ASSETS DECEMBER 31, 2007 and 2006

	2007	2006
Assets		
Current assets:		
Cash and cash equivalents	\$ 1,553,228	\$ 1,000,662
Restricted cash	39,188,694	36,800,430
Investments	•	•
Accounts receivable, net	1,527,466	1,229,425
Pledges receivable	3,233,091	2,618,281
Due from other campuses	•	-
Due from State Treasury	-	-
Inventories	•	-
Deferred charges and prepaid expenses	577,208	571,030
Notes receivable	-	-
Other current assets	7,216,250	11,223,287
Total current assets	53,295,937	53,443,115
Noncurrent assets		
Restricted assets:		
Cash and cash equivalents	98,250	1,039,357
Investments	3,631,307	•
Accounts receivable, net	• •	
Notes receivable	•	-
Other	-	-
Investments	-	-
Pledges receivable	5,396,129	4,650,803
Notes receivable	•	
Capital assets, net	126,639,329	153,540,160.00
Assets under capital leases, net	, , , <u>-</u>	•
Other noncurrent assets	12,454,271	15,645,670
Total noncurrent assets	148,219,286	174,875,990
Total assets	\$ 201,515,223	\$ 228,319,105

STATEMENTS OF NET ASSETS (CONTINUED) DECEMBER 31, 2007 and 2006

	2007	2006
Liabilities		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 308,275	\$ 1,033,762
Accounts payable - construction in progress	1,364,952	3,618,924
Due to other campuses	~	-
Due to State Treasury	~	•
Deferred revenues	7,397,560	11,551,358
Amounts held in custody for others	1,529,598	1,175,680
Compensated absences payable	•	-
Capital lease obligations	-	-
Line-of-credit	-	-
Note payable	868,168	1,329,000
Contracts payable	•	-
Bonds payable	2,390,000	2,745,000
Other current liablities	2,481,849	512,050
Total current liabilities	16,340,402	21,965,774
Noncurrent liabilities:		
Amounts held in custody for others	•	-
Compensated absences payable	•	-
Capital lease obligations	•	-
Note payable	868,168	407,336
Contracts payable	•	•
Bonds payable	128,885,000	129,830,000
Other noncurrent liabilities	9,156,323	15,496,882
Total noncurrent liabilities	138,909,491	145,734,218
Total liabilities	155,249,893	167,699,992
Net assets		
Invested in capital assets, net of related debt	(6,372,007)	19,228,824
Restricted for:		
Nonexpendable	5,168,456	1,421,349
Expendable	14,410,967	11,191,066
Unrestricted	33,057,914	28,777,874
Total net assets	46,265,330	60,619,113
Total liabilities and net assets	\$ 201,515,223	\$ 228,319,105

See independent auditor's report on other financial information.

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS YEARS ENDED DECEMBER 31, 2007 AND 2006

	2007	2006
Operating revenues:		
Student tuition and fees	-	-
Less scholarship allowances	-	-
Net student tuition and fees		
Gifts received by the Foundation	22,591,715	21,614,069
Earnings on Foundation endowments	33,514	39,445
Federal appropriations	-	_
Federal grants and contracts	-	-
State and local grants and contracts	-	-
Nongovernmental grants and contracts	•	•
Sales and services of educational departments	-	-
Hospital income	-	-
Auxiliary enterprise revenues, including revenues pledged as security		
for bond issues	-	-
Less scholarship allowances	_	-
Net auxiliary revenues	-	-
Other operating revenues	6,581,580	6,457,852
Total operating revenues	29,206,809	28,111,366
Operating expenses:		
Educational and general		
Instruction	_	-
Research	-	-
Public service	-	-
Academic support	-	
Student services	-	-
Institutional support	-	-
Operation and maintenance of plant	-	-
Scholarships and fellowships	-	-
Auxiliary enterprises	•	•
Hospital	-	_
Other operating expenses	7,614,911	7,512,468
Total operating expenses	7,614,911	7,512,468
Operating income	21,591,898	20,598,898

See independent auditor's report on other financial information.

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS (CONTINUED) YEARS ENDED DECMBER 31, 2007 and 2006

	 2007		2006
Nonoperating revenues and (expenses):			
State appropriations	\$ -	\$	-
Gifts	-		-
Net investment income	1,399,503		1,353,044
Interest expense	(5,834,406)	((6,164,784)
Payments to or on behalf of the university	(34,145,272)	(7,869,235)
Other nonoperating revenues (expenses)	-		•
Net nonoperating revenues (expenses)	 (38,580,175)	(1	2,680,975)
Income before other revenues, expenses, gains, and losses	(16,988,277)		7,917, 923
Capital appropriations	_		-
Capital gifts and grants	-		-
Additions to permanent endowments	3,713,593		529,372
Other additions, net	-		_
(Decrease) increase in net assets	(13,274,684)		8,447,295
Net assets, beginning of year	60,619,113	5	2,564,599
Change in fair value of Interest Rate Swap Agreement	(1,079,099)		(392,781)
Net assets, end of year	\$ 46,265,330	\$ 6	0,619,113

Component Unit Description

Component Unit Description

The Tiger Athletic Foundation is a legally separate, tax-exempt organization supporting the LSU System, specifically the following campus: Louisiana State University – Baton Rouge. This Foundation was included in the University's financial statements because its assets equaled 3% or more of the assets of the university system it supports.

During the year ended December 31, 2007, the Tiger Athletic Foundation made distributions to or on behalf of the University for both restricted and unrestricted purposes in the amount of \$34,145,272, \$1,084,019 from booster clubs, and \$391,782 from affiliated chapters. During the year ended December 31, 2006, the Tiger Athletic Foundation made distributions to or on behalf of the University for both restricted and unrestricted purposes in the amount of \$7,869,235, \$1,187,560 from booster clubs, and \$306,673 from affiliated chapters. The booster club and affiliated chapter accounts are maintained by Tiger Athletic Foundation.

Complete financial statements for the Tiger Athletic Foundation can be obtained from:

Tiger Athletic Foundation P.O. Box 711 Baton Rouge, Louisiana 70821

Or from the foundation's website at: www.lsutaf.org

The Tiger Athletic Foundation is a nonprofit organization that reports under FASB standards, including FASB Statement No. 117, Financial Reporting for Not-for-Profit Organizations. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. With the exception of necessary presentation adjustments, no modifications have been made to the Foundation's financial information in the University's financial report for these differences.

SCHEDULE OF CAPITAL ASSETS FOR THE YEAR ENDED DECEMBER 31, 2007

		Balance 12/31/2006	Ψ	Prior Period Adjustment	Restated Balance 12/31/2006		Additions		Transfers	Retirements	ments	1	Balance 12/31/2007
Capital assets not being depreciated Land Canitalized collections	4	3,090,000	€9		3,090,000	\$ 00	. ,	•		∽	, ,	\$	3,090,000
Livestock Construction in progress		25.796.736		(213.087)	25.583.649	6	93.874		(25,600,935)				76.588
Total capital assets not being depreciated	s	28,886,736	S	(213,087) \$	1	\$ 67		S.	(25,600,935)	ۍ		S	3,166,588
Other capital assets Infrastructure Less accumulated depreciation	∽	, ,	so.	€5 , ,		₩	, ,	•		co.	, ,	⇔	, ,
Total infrastructure		ļ. 			,						.		,
Land improvements		1,612,507		•	1,612,507	07	•		1,651				1,620,158
Less accumulated depreciation Total land improvements		(272,319)		, ,	(272,319)	<u>88</u>	(58,587)		7,651				(330,906)
Buildings Less accumualted depreciation	ı	129,008,980		213,087	79,222,061 (5,827,389)	67 89)	767,212 (2,155,534)						129,9 89 ,279 (7,982,923)
Total buildings		123,181,591		213,087	123,394,678	78	(1,388,322)						122,006,356
Equipment Less accumulated depreciation	İ	395,213 (263,568)			395,213 (263,568)	E89	55, 882 (35,974)						451,095 (299,542)
Total equipment		131,645		•	131,645	45	19,908		1				151,553
Vehicles Less accumulated depreciation		• •			, ,		25,580) 1		1 1		25,580
Total vehicles		-		•			25,580		,				25,580
Library books Less accumulated depreciation		, ,		' '	, ,		, ,		, 1		, ,		, ,
Total library books		•		,			1		•		•		1
Total other capital assets	∽ ∥	124,653,424	٠,	213,087 \$	124,866,511	=	(1,401,421)	٠,	7,651	٠,	,	es.	123,472,741
Capital asset summary: Capital assets not being depreciated Other capital assets, at cost	•	28,886,736	⇔	(213,087) \$	28,673,649	49 \$	93,874 848.674	€	(25,600,935)	~	1 1	S	3,166,588
Total cost of capital assets		159,903,436			159,903,436	36	942,548		(25,593,284)		,		135,252,700
Capital assets, net	S.	153,540,160	S.	\$		80.8		(م	(25,593,284)	\$. .	s	126,639,329

SCHEDULE OF CAPITAL ASSETS FOR THE YEAR ENDED DECEMBER 31, 2006

Capital assets not being depreciated Land	12/31/2005	Period Adjustment	12/31/2005	Additions	Tran	Transfers	Retirements	ments	Dalance 12/31/2006
	3,090,000		\$ 3,090,000	، ج	بح		٠,		3,090,000
Capitalized collections Livestock	• 1		•	•		•		,	1
Construction in progress	94,924,415	(71,898,641)	23,025,774	2,770,962					25,796,736
Total capital assets not being depreciated	\$ 98,014,415	\$(71,898,641)	\$ 26,115,774	\$ 2,770,962	s		Ş		\$ 28,886,736
Other capital assets Infrastructure	•	۰		, 49	s,	,	€ 4	•	
Less accumulated depreciation	•					1	.	\cdot	
Total infrastructure	1	•	•	•		•		•	•
Land improvements	1,558,658	1	1,558,658	53,849		ı		1	1,612,507
Less accumulated depreciation	(215,101)		(215,101)	(57,218)		1		-	(272,319)
oral land improvements	/ cc ,c+ c ,1	ı	1,54,5,5	(895,5)		ı		•	1,340,188
Buildings	54,237,814	71,898,641	126,136,455	2,872,525		•			129,008,980
Less accumualted depreciation	(3,376,072)	(349,848)	(3,725,920)	(2,101,469)		'		ا,	(5,827,389)
Total buildings	50,861,742	71,548,793	122,410,535	771,056		•			123,181,591
Equipment	341,404		341,404	53,809		•		•	395,213
Less accumulated depreciation	(230,204)	Θ	٦	(33,363)		1		•	(263,568)
Total equipment	111,200	€	111,199	20,446		•		,	131,645
Vehicles	•	ı	1	,		•		ì	•
Less accumulated depreciation		,	,	٠		١			
Total vehicles	•	•	•	•		•			•
Library books	ı	•	•	•		•		٠	ı
Less accumulated depreciation	•	,	,	1) :		4	,
Total library books	•	•	•	•		•			•
Total other capital assets	\$ 52,316,499	\$ 71,548,792	\$123,865,291	\$ 788,133	۵	•	60		\$ 124,653,424
Capital asset summary: Capital assets not being depreciated	\$ 98.014.415	5771 898 641)	\$ 26115774	640 022 6	v	,	Ų		Arr 788 80 3
Other capital assets, at cost			128,036,517		,	,	,		
Total cost of capital assets Less accumulated depreciation	154,152,291	(71,898,641)	154,152,291	5,751,145		۱,,			159,903,436
Capital assets, net	\$150,330,914	\$(72,248,489)	\$149,981,065	\$ 3,559,095	۰,	,	s	\ -	\$ 153,540,160

SCHEDULE OF BONDS AND NOTES PAYABLE AND CAPITAL LEASES December 31, 2007

	B; Dec	Balance at December 31, 2006	V	Additions	æ	Reductions	Ā	Balance at December 31, 2007	<u> </u>	Amounts Due Within One Year
Bonds and notes payable and capital leases: Bonds payable Note payable	<u>≈</u>	\$ 132,575,000 1,736,336	⇔	1 • 1	€4	1,300,000	€9	\$ 1,300,000 \$ 131,275,000 - 1,736,336	€9	2,390,000 868,168
Capital lease conganous Total bonds, notes, and capital leases	\$ 1	\$ 134,311,336	65		∽	1,300,000	ω.	\$ 1,300,000 \$ 133,011,336 \$ 3,258,168	8	3,258,168
Other liabilities:										
Amounts held in custody for others	es	1,175,680	₩	532,498	બ્ર	178,580	↔	1,529,598	₩	1,529,598
Compensated absences payable		•		•		1		•		•
Contracts payable		•		•		•		•		•
Deferred revenue	•	26,299,055		105,520		11,678,976		14,725,599		7,397,560
Other liabilities		5,913,921	(L)	32,839,476		32,770,037		5,983,360		4,155,076
Total other liabilities	69	33,388,656	\$	3,477,494	S	44,627,593	∞	\$ 33,388,656 \$ 33,477,494 \$ 44,627,593 \$ 22,238,557	1	\$ 13,082,234

SCHEDULE OF BONDS AND NOTES PAYABLE AND CAPITAL LEASES

	Balance at December 31, 2005	Additions	Reductions	Balance at December 31, 2006	` Ā ^U	Amounts Due Within One Year
Bonds and notes payable and capital leases: Bonds payable Note payable Capital lease obligations	\$ 134,910,000 2,975,336	(i)	\$ 2,335,000 1,239,000	\$ 132,575,000 1,736,336	64	2,745,000
Total bonds, notes, and capital leases	\$ 137,885,336	e s	\$ 3,574,000	\$ 3,574,000 \$ 134,311,336 \$ 4,074,000	64	4,074,000
Other liabilities:						
Amounts held in custody for others	\$ 1,039,963	\$ 1,629,950	\$ 1,494,233	\$ 1,175,680	69	1,175,680
Compensated absences payable	•	1	•	, '		
Contracts payable	•	1		•		•
Deferred revenue	38,186,161	402,813	12,289,919	26,299,055		1.551.358
Other liabilities	7,034,333	28,086,260	29,206,672	5,913,921		5,164,736
Total other liabilities	\$ 46,260,457	\$ 30,119,023	\$ 42,990,824	\$ 33,388,656 \$ 17,891,774	s	7,891,774

SCHEDULE OF BONDS PAYABLE

Issue	Date of Issue	Original Issue	Principal Outstanding 12/31/2006	(Redeemed) _Issued	Principal Dutstanding 12/31/2007	Interest Rates	Out	iterest standing 31/2007
	July 26,								
Series 2001 Bonds	2001	\$ 10,200,000	\$ 2,000,000	\$	(1,300,000)	\$ 700,000	Variable	\$	_
	March 4,				, , , ,	ŕ			
Series 1999 Bonds	1999	43,575,000	43,575,000		-	43,575,000	Variable		-
	March 23,								
Series 2004 Bonds	2004	90,000,000	87,000,000			87,000,000	Variable		-
		\$ 143,775,000	\$ 132,575,000	\$	(1,300,000)	\$ 131,275,000	•	\$	-

SCHEDULE OF BONDS PAYABLE

Issue	Date of Issue	 Original Issue	(Principal Outstanding 12/31/2005	(Redeemed) Issued	Principal Outstanding 12/31/2006	Interest Rates	Out	terest standing 31/2006
Series 2001 Bonds	July 26, 2001	\$ 10,200,000	\$	2,800,000	\$	(800,000)	\$ 2,000,000	Variable	\$	-
Series 1999 Bonds	March 4, 1999 March 23,	43,575,000		43,575,000		-	43,575,000	Variable		-
Series 2004 Bonds	2004	\$ 90,000,000 143,775,000	\$	88,535,000 134,910,000	\$	(1,535,000) (2,335,000)	\$ 87,000,000 132,575,000	Variable		

SCHEDULE OF NOTE PAYABLE

Issue	Date of Issue	О	Principal utstanding 2/31/2006	•	edeemed) Issued	0	Principal utstanding 2/31/2007	Interest Rate	Inte Outsta 12/31	nding
Capital One Term and Revolver Loan	July 26, 2001	\$	1,736,336	\$	<u>-</u>	\$	1,736,336	Variable	\$	_

SCHEDULE OF NOTE PAYABLE

Issue	Date of Issue	0	Principal utstanding 2/31/2005	(I	Redeemed) Issued	o	Principal utstanding 2/31/2006	Interest Rate	Outsta	erest anding /2006
Capital One Term and Revolver Loan	July 26, 2001	\$	2,975,336	\$	(1,239,000)	\$	1,736,336	Variable	\$	-

SCHEDULE OF BONDS PAYABLE AMORTIZATION

Year Ended December 31, 2007

Fiscal Year Ending	Principal	Interest	Total
Dituing	 Timeipai	THE COL	 Total
2008	\$ 2,390,000	Variable	\$ 2,390,000
2009	1,775,000	Variable	1,775,000
2010	3,335,000	Variable	3,335,000
2011	3,490,000	Variable	3,490,000
2012	3,660,000	Variable	3,660,000
2013	3,840,000	Variable	3,840,000
2014	4,025,000	Variable	4,025,000
2015	4,215,000	Variable	4,215,000
2016	4,420,000	Variable	4,420,000
2017	4,635,000	Variable	4,635,000
2018	4,855,000	Variable	4,855,000
2019	5,085,000	Variable	5,085,000
2020	5,335,000	Variable	5,335,000
2021	5,590,000	Variable	5,590,000
2022	5,860,000	Variable	5,860,000
2023	6,140,000	Variable	6,140,000
2024	6,440,000	Variable	6,440,000
2025	6,750,000	Variable	6,750,000
2026	7,075,000	Variable	7,075,000
2027	7,415,000	Variable	7,415,000
2028	7,770,000	Variable	7,770,000
2029	4,635,000	Variable	4,635,000
2030	4,860,000	Variable	4,860,000
2031	5,100,000	Variable	5,100,000
2032	5,355,000	Variable	5,355,000
2033	5,615,000	Variable	5,615,000
2034	 1,610,000	Variable	 1,610,000
Total	\$ 131,275,000		\$ 131,275,000

SCHEDULE OF NOTE PAYABLE AMORTIZATION

Year Ended December 31, 2007

Fiscal Year Ending	1	Principal	Interest	Total
2008	\$	868,168	Variable	\$ 868,168
2009		868,168	Variable	868,168
Total	\$	1,736,336		\$ 1,736,336



STATEMENT OF ACTIVITIES YEAR ENDED DECEMBER 31, 2007

	U	nrestricted	emporarily Restricted	ermanently Restricted	Total 2007
Revenues and gains:		-			
Donations - TAF members	\$	16,712,660	\$ 5,879,055	\$ 3,713,593	\$ 26,305,308
Restricted revenue		-	-	-	-
Scoreboard sponsorships		1,425,000	-	-	1,425,000
Rents - University Club and LSU		4,710,983	-	-	4,710,983
Investment income		1,399,503	-	33,514	1,433,017
Net realized and unrealized gains		-	-	-	-
Merchandise revenue		-	-	-	-
Other revenue		_445,597			 445,597
Total revenues and gains		24,693,743	5,879,055	3,747,107	34,319,905
Net assets realized from restrictions		2,659,154	(2,659,154)	-	-
Expenses:					
Program services:					
Contribution to LSU - athletic					
department		33,521,371	-	-	33,521,371
Contribution to LSU - non-athletic		623,901	-	-	623,901
Tiger Den suites		3,750,292	-	-	3,750,292
Stadium Club		6,545,224	-	-	6,545,224
Supporting activities:					
General and administrative		2,508,769	-	-	2,508,769
Fundraising		645,032	-		645,032
Total expenses		47,594,589	 -	-	47,594,589
Increase (decrease) in net assets	\$	(20,241,692)	\$ 3,219,901	\$ 3,747,107	\$ (13,274,684)

STATEMENT OF ACTIVITIES YEAR ENDED DECEMBER 31, 2006

	<u>U</u>	nrestricted		emporarily Restricted	rmanently estricted	Total 2006
REVENUES AND GAINS					 	
Donations - TAF members	\$	16,620,940	\$	5,000,859	\$ 529,372	\$ 22,151,171
Restricted revenue		-		-	-	-
Scoreboard sponsorships		1,400,000		-	-	1,400,000
Rents - University Club and LSU		4,718,635		-	-	4,718,635
Investment income		1,353,044		-	31,715	1,384,759
Net realized and unrealized gains		-		-	•	-
Merchandise revenue		_		-	_	-
Other revenue		339,217		-	•	339,217
Total revenues and gains		24,431,836		5,000,859	561,087	29,993,782
Net assets realized from restrictions		10,685,083	((10,685,083)	-	-
<u>EXPENSES</u>						
Program services:						
Contribution to LSU - athletic						
department		7,647,663		-	-	7,647,663
Contribution to LSU - non-athletic		221,572		-	-	221,572
Tiger Den suites		3,791,411		-	-	3,791,411
Stadium Club		6,327,906		-	-	6,327,906
Supporting activities:						
General and administrative		2,241,137		-	-	2,241,137
Fundraising		1,316,798		-	-	1,316,798
Total expenses		21,546,487			-	 21,546,487
Increase (decrease) in net assets	\$	13,570,432	\$	(5,684,224)	\$ 561,087	\$ 8,447,295

Tiger Athletic Foundation

STATEMENT OF REVENUE AND EXPENSES IN SUPPORT OF INTERCOLLEGIATE ATHLETICS

YEAR ENDED DECEMBER 31, 2007

	_	Football	E 8	Men's Basketball	> <u>x</u>	Women's	Q.	Other Sports	ž	Non-Program Specific		Total
Revenues												
Contributions	↔	23,255,877	65	81,409	\$9	312,437	69	779,098	•	10,680,248	69	35,109,069
compensations and centures provided by a third party		512,000			İ	•						512,000
Total revenues	%	23,767,877	S	81,409	S	312,437	↔	779,098	S	10,680,248	₩	35,621,069
Expenses												
Coaching other compensation & benefits	₩,	512,000	643	•	64	•	€ 9	•	6 9	•	64	512,000
Severence Payments		•		•		85,000		,		•		85,000
Support staff/administrative other		•				,				ı		•
Compensation and benefits		,		•		•		•		•		1
Recruiting		41,910		3,509		8,466		24,808		45,000		123,693
Team travel		234		302		3,078		12,380		1,512		17,506
Equipment, uniforms, and supplies		12,808		770		•		48,496		1,875		63,949
Game expenses		48,371		•		710		49,782		2,555		101,418
Fundraising, marketing, and promotion		119,817		5,208		75,948		147,596		349,586		698,155
Direct facilities, maintenance, and rental		•				•		•		•		•
Spirit groups				•		•		12		48,977		48,989
Membership and dues		26,857		•		1,628		4,517		3,509		36,511
Other operating expenses	İ	23,005,880		71,620		137,607		491,507		10,227,234		33,933,848
Total expenses	₩	23,767,877	60	81,409	69	312,437	69	779,098	∽	10,680,248	69	35,621,069

During the year ended December 31, 2007, the Tiger Athletic Foundation made distributions to or on behalf of the University for both restricted and unrestricted purposes in the amount of \$34,145,272; \$1,084,019 from booster clubs; and \$391,782 from affiliated chapters. The booster club and affiliated chapter accounts are maintained by Tiger Athletic Foundation.

Tiger Athletic Foundation

STATEMENT OF REVENUE AND EXPENSES IN SUPPORT OF INTERCOLLEGIATE ATHLETICS

YEAR ENDED DECEMBER 31, 2006

		Football	- B	Men's Basketball	≯ Ä	Women's Basketbail	O	Other Sports	Ž	Non-Program Specific		Total
Revenues												
Contributions Commencations and bonefile accorded	₩	2,078,524	₩	108,906	∽	110,797	↔	718,171	↔	6,042,070	49	9,058,468
by a third party	{	305,000		,		,				,		305,000
Total revenues	∞ ∥	2,383,524	~ >	108,906	S	110,797	م	718,171	∞	6,042,070	673	9,363,468
Expenses												
Coaching other compensation & benefits	⇔	305,000	69		₩3	•	€9	150,000	⇔	•	↔	455,000
Severence Payments		,		,		•		,		•		,
Support staff/administrative other		,		•		•		,				•
Compensation and benefits		•		•		•		1		•		•
Recruiting		32,573		6,784		3,202		10,047		,		52,606
Team travel		189,900		3,620		1,203		6,519		661		201,903
Equipment, uniforms, and supplies		30,930		7,160		5,310		21,214		6,083		70,697
Game expenses		,		•		31		56,916		15,829		72,776
Fundraising, marketing, and promotion		79,521		50,880		53,808		94,748		933,532		1,212,489
Direct facilities, maintenance, and rental		•		ı		,		•		•		•
Spirit groups		•		•		•		•		29,684		29,684
Membership and dues		23,788						5,291		3,102		32,181
Other operating expenses	ļ	1,721,812		40,462	İ	47,243	İ	373,436	ı	5,053,179	ļ	7,236,132
Total expenses	S	2,383,524	643	108,906	60	110,797	~ >	718,171	₩.	6,042,070	S.	9,363,468

During the year ended December 31, 2006, the Tiger Athletic Foundation made distributions to or behalf of the University for both restricted and unrestricted purposes in the amount of \$7,869,235; \$1,187,560 from booster clubs; and \$306,673 from affiliated chapters. The booster club and affiliated chapter accounts are maintained by Tiger Athletic Foundation.



INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Executive Committee of the Board of Directors Tiger Athletic Foundation

We have audited the financial statements of the Tiger Athletic Foundation (a nonprofit organization) as of and for the years ended December 31, 2007 and 2006, and have issued our report thereon dated March 20, 2008. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial statements contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audits we considered the Tiger Athletic Foundation's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the organization's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the organization's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles, such that there is more than a remote likelihood that a misstatement of the organization's financial statements that is more than inconsequential will not be prevented or detected by the organization's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the organization's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Tiger Athletic Foundation's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

This report is intended for the information of the audit committee, management, others within the organization and the State of Louisiana, Department of Economic Development, and is not intended to be, and should not be, used by anyone other than these specified parties.

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A Professional Accounting Corporation

March 20, 2008



Report of Independent Accountants on Schedule of Debt Service Coverage Ratio

The Executive Committee of the Board of Directors Tiger Athletic Foundation

We have reviewed the accompanying Schedule of Debt Service Coverage Ratio for the year ended December 31, 2007 of Tiger Athletic Foundation (the Foundation) in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in this schedule is the representation of the management of the Foundation.

A review consists principally of inquiries of Foundation personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with auditing standards generally accepted in the United States, the objective of which is the expression of an opinion regarding the schedule taken as a whole. Accordingly, we do not express such an opinion.

The Schedule of Debt Service Coverage Ratio is prescribed by the Revenue Bond Resolution relating to the \$90,000,000 Revenue Bonds (Series 2004) reflecting the provisions of resolutions adopted by Tiger Athletic Foundation on March 1, 2004.

Based on our review, we are not aware of any material modification that should be made to the accompanying Schedule of Debt Service Coverage Ratio in order for it to be in conformity with accounting principles generally accepted in the United States.

This report is intended solely for the information and use of the Executive Committee of the Board of Directors, management, and the bond trustee, and is not intended to be and should not be used by anyone other than these specified parties.

A Professional Accounting Corporation

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March 20, 2008

Schedule of Debt Service Coverage Ratio

Year Ended December 31, 2007

Available Revenues Total revenues (\$24,693,743) less total expenses (\$41,459,059 minus discretionary expenses of \$32,186,413)	\$ 15,420,497
Debt Service Requirements	
Debt service requirement including remarketing fees of \$118,075 and letter of credit fees of \$1,206,591	\$ 6,393,801
Debt Service Coverage Ratio	2.41
Minimum required debt service coverage. If in default, TAF will incur an increased interest rate of Prime plus 2%	1.25
Minimum required debt service coverage ratio to maintain current letter of credit fees.	1.50
Minimum required debt service coverage ratio to incur additional debt.	1.75

Note to Schedule of Debt Service Coverage Ratio

1. Basis of Presentation

The computation in the Schedule of Debt Service Coverage Ratio, is prescribed by the Revenue bond Resolution relating to the \$90,000,000 revenue Bonds (Series 2004) reflecting the provisions of Resolutions adopted by Tiger Athletic Foundation on March 1, 2004.